COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO. 2010-00255 FILING OF EQUITABLE GAS COMPANY, LLC)

ORDER

On April 29, 2004, in Case No. 2003-00411,¹ the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. ("Equitable"), and provided for their further adjustment on a quarterly basis in accordance with Equitable's Gas Cost Adjustment ("GCA") clause.

On June 25, 2010, Equitable filed its proposed GCA to be effective August 1, 2010.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 1. Equitable's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Equitable's Expected Gas Cost ("EGC") is \$8.7899 per Mcf, which is an increase of \$1.6394 per Mcf from its previous EGC of \$7.1505 per Mcf.

¹ Case No. 2003-00411, Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485 (Ky. PSC Apr. 29, 2004).

- 3. Equitable's notice sets out a current quarter Actual Adjustment ("AA") of (\$2.0598) per Mcf. Equitable's total AA is (\$3.7052) per Mcf, which is a decrease of \$1.2356 per Mcf from the previous total AA of (\$2.4696) per Mcf.
- 4. Equitable's notice sets out a current quarter Balancing Adjustment ("BA") of (\$.0426) per Mcf. Equitable's total BA is (\$.1214) per Mcf, which is a decrease of \$.0452 per Mcf from the previous total BA of (\$.0762) per Mcf.
- 5. Equitable's Gas Cost Recovery rate is \$4.9633 per Mcf, which is an increase of \$.3586 per Mcf from its previous rate of \$4.6047 per Mcf.
- 6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Equitable on and after August 1, 2010.

IT IS THEREFORE ORDERED that:

- 1. The rates in the Appendix attached hereto and incorporated herein are approved for final meter readings on and after August 1, 2010.
- 2. Within 20 days of the date of this Order, Equitable shall file its revised tariffs with this Commission setting out the rates authorized herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED

JUL 1 4 2010

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

Case No. 2010-00255

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00255 DATED JUL 1 4 2010

The following rates and charges are prescribed for the customers in the area served by Equitable Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES: Monthly

Customer Charge

\$7.50

Gas Cost Recovery

Base Rate Recovery

Total Rate

All Mcf

\$2.1322

\$4.9633

\$ 7.0955

The minimum bill shall be \$7.50.

Robert M Narkevic Manager, Rates Equitable Gas Company, LLC 225 North Shore Drive Pittsburgh, PA 15212-5861